

# National Petroleum Council

## Global Oil and Gas Study

**NPC Review**  
**June 21, 2006**

# Study Origins

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## 2005

- **June** Secretary Bodman speech to NPC members
- **October** Secretary Bodman study request to NPC
- **November** Agenda Committee recommends acceptance
- **December** Membership concurrence via ballot  
Executive Committee established

## 2006

- **April** Coordinating Subcommittee established
- **May** Global Committee established
- **June** Status Report

# Study Request – Suggested Questions

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1. What does the future hold for global oil and natural gas supply?
2. Can incremental oil and gas supplies be brought on-line, on time, and at a reasonable price to meet future demand without jeopardizing economic growth?
3. What oil and gas supply strategies and/or demand-side strategies does the Council recommend the United States pursue to ensure greater economic stability and prosperity?

# Study Objective and Principles

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## Objective

- Global energy policy recommendations for U.S. Government.

## Principles

- Not another “grassroots” energy forecast.
- Will access and utilize public domain data sources.
- Input solicited from a broad range of interested parties.
- Emphasize long-term conditions, not near-term volatility.
- Recommendations supported by sound data and science.
- All study teams work within scope and on time.
- Full compliance with antitrust laws and regulations.



# Study Organization



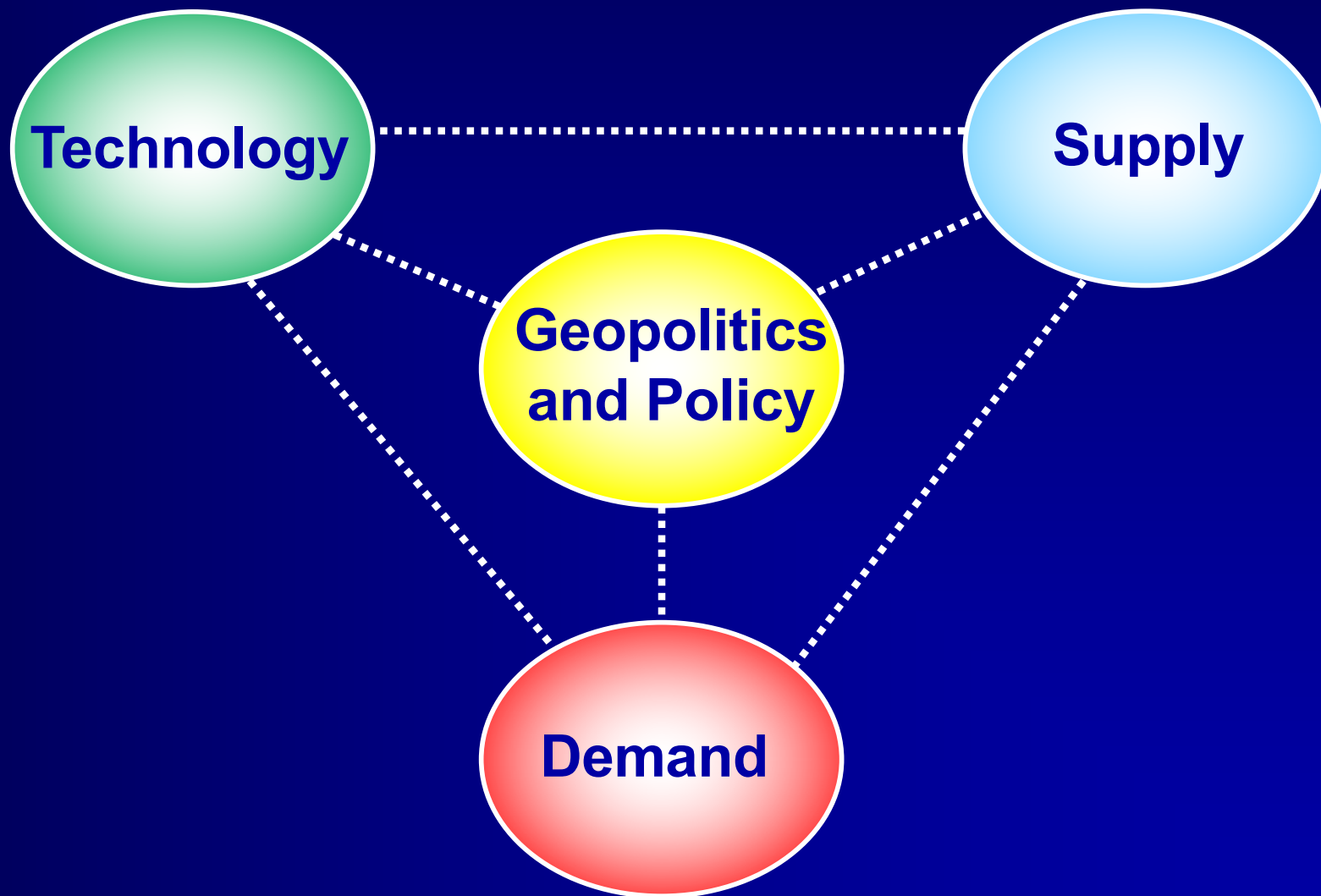
# Study Approach

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- Engage and include broad cross section of resources
  - ✓ NPC Membership & Committee
  - ✓ CSC & Task Group members
  - ✓ Subgroup participants
  - ✓ Expert panels
  - ✓ Workshops
  - ✓ Focus Groups
  - ✓ One-to-One dialogue
  - ✓ Other

# Study Task Groups

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# Demand Task Group - Approach

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- Define data needs and management system.
- Review world primary energy demand by fuel back to 1970.
- Gather EIA and IEA world primary energy demand to 2030.
- Review data and key drivers of oil and gas demand outlooks.
- Identify key sensitivities to oil and gas demand projections.
- Seek external views on key variables for oil and gas outlooks.
- Coordinate key variables with other Task Groups.
- Develop policy recommendations with Geopolitics & Policy Team.



# Supply Task Group – Approach

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- Evaluate a broad range of publicly available oil and gas supply models and projections, including fuel and power dimensions.
  - ✓ Define key rates and factors of the conversion system from geologic resources to reserves, production, and manufacturing.
  - ✓ Summarize assumptions and findings for the range of supply projections and assess outcomes for probability, shape, and timing of supply curves.
  - ✓ Assess supply variables to economic, technology, geopolitical, and environmental factors.



## Supply Task Group – Approach (cont.)

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- Evaluate options for managing conversion rates and timing, and recommend additional modeling, if needed, to reduce uncertainties.
- Develop policy recommendations with Geopolitics & Policy Team.



# Technology Task Group - Approach

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- Identify and organize teams around technical themes.
- Theme work sessions will have broad participation.
- Close cooperation with other Task Groups.
- Engage NPC and non-NPC expertise on nuclear, coal, and renewables.
- Engage consumer groups and autos on demand issues.
- Strong cooperation from DOE to utilize past work on select topics.



# Technology Task Group - Approach

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- Develop views of :
  - ✓ Time horizons
  - ✓ Research budgets
  - ✓ Human resources
  - ✓ Technology penetration
- Develop policy recommendations with Geopolitics & Policy Team.



- Conduct literature review of geopolitics analysis.
- Establish and populate regional geopolitics teams.
- Expand outreach to include NGOs, environmental, diplomatic, and academic communities.
- Review historical policy decisions and consequences of choices.
- Establish policy team, including representatives from other Task Groups to :
  - ✓ Identify and analyze policy options
  - ✓ Develop recommendations

# Study Forward Plan

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- Resource and launch Task Groups.
- Accelerate public domain data gathering and analysis.
- Conduct periodic reviews:
  - ✓ Weekly CSC leader conference calls
  - ✓ Monthly CSC meetings
  - ✓ Milestone reviews with Global Committee
- Develop draft report 1Q 07.
- Committee and NPC final report approval 2Q 07.
- Follow-up presentations.